

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18<sup>TH</sup> STREET- SUITE 300
DENVER, CO 80202-2466
Phone 800-227-8917
http://www.epa.gov/region08



May 4, 2005

Ref: 8EPR-SR

Mayor Tony Berget 952 East Spruce Street Libby, MT 59923

RE: Former W.R. Grace Export Plant Property

Dear Mayor Berget:

Members of the City Council and others have inquired about the status of the former W.R. Grace Export Plant property now owned by the City of Libby. This parcel, as it relates to EPA cleanup, is known as Operable Unit 2 (OU2) of the Libby Asbestos Site. The letter is to provide a written status as it relates to future development of OU2. Please share it with the Council, City Attorney, and City Manager.

W.R. Grace performed cleanup activities at OU2 under Unilateral Order issued by EPA. EPA assumed the lead role of the cleanup later on and completed the cleanup. The cleanup was conducted under authority granted in Section 104 of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) which empowers EPA to conduct Removal Actions. Removal Actions are often used at Superfund Sites to address time sensitive risks to public health or the environment. In some cases, Removal Actions are the only cleanup that is required; in other cases, they are followed up by Remedial Actions to address risks that are not as time sensitive.

EPA considers the Removal Action at OU2 to be complete. The property is safe for all uses and there are no specific restrictions on use. However, there remain some small environmental concerns at OU2, as well as some related future administrative requirements, which must be considered during any development or use.

EPA believes that all contamination at the export plant was removed. However, because it is difficult to sample and inspect below the surface, there is a small chance that some contamination remains at depth. This is true not only at the former Export Plant, but at many properties across Libby. It is simply not feasible to locate and remove all subsurface contamination that may exist.

To address this concern, EPA contemplates establishing Institutional Controls (ICs) in Libby in the future. ICs may take the form of local ordinances, specific agreerments with property

owners, or other variations, but collectively their intent is to establish requirements and systems for dealing with residual contamination. The Operations and Maintenance (O&M) Workgroup, of which Dan Thede is a member, is beginning to contemplate and devise potential ICs for Libby.

EPA contemplates establishing an IC for the Export Plant in the future. This IC will establish formal requirements for addressing any contamination encountered in the subsurface at the Export Plant. In essence, there are numerous safe ways to handle and deal with subsurface contamination, and we have discussed many of these approaches as we developed plans for the Johnston Acres Project. The requirements need not be too restrictive – the intent is to ensure (1) workers who encounter the material report it, (2) contaminated material is handled properly so that it doesn't re-contaminate any clean areas, (3) workers dealing with the material are protected, and (4) it is disposed of properly.

Even though we believe that the necessary physical cleanup actions are complete, before EPA can state that all actions at the Export Plant are complete, we must first publish a Proposed Plan for cleanup and a Record of Decision (ROD). The ROD will formally state which actions, if any, are necessary to complete cleanup at the Export Plant. At this time, we believe that this will only include formal ICs. However, the Proposed Plan must undergo formal public comment before becoming a final ROD. We expect to publish a Record of Decision for OU2 sometime in 2006. Once a ROD and any resulting Remedial Actions are complete (e.g. ICs), EPA expects to pursue deletion of OU2 from the National Priorities List – in essence, it will no longer be part of the Libby Asbestos Superfund Site. This is the first parcel at Libby for which we expect to pursue a "partial deletion."

Until ICs are formalized, we only ask that the City and its contractors exercise due care when work or excavation are performed at the Export Plant. If known or suspected contamination is encountered, stop work and report it immediately to EPA. As with Johnston Acres, we will work with you to develop reasonable strategy for dealing with any contamination. We will also provide guidance and assistance during any work.

EPA encourages and supports development of the Export Plant in accordance with local desires. If you have any additional questions, please feel free to contact the EPA Site Attorney, Matthew Cohn, at (303) 312-6853.

Sincerely.

Jim Christiansen

Remedial Project Manager